

HOUSE BILL No. 1078

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3-2-4.

Synopsis: Income tax deduction for military income. Increases the income tax deduction for military income (including military retirement income) from \$5,000 to \$10,000.

Effective: January 1, 2016.

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January 6, 2015, read first time and referred to Committee on Ways and Means.



First Regular Session of the 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE BILL No. 1078

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-3-2-4, AS AMENDED BY P.L.6-2012,
2 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2016]: Sec. 4. (a) Each taxable year, an individual, or the
4 individual's surviving spouse, is entitled to an adjusted gross income
5 tax deduction for the first ~~five~~ **ten** thousand dollars ~~(\$5,000)~~ **(\$10,000)**
6 of income, including retirement or survivor's benefits, received during
7 the taxable year by the individual, or the individual's surviving spouse,
8 for the individual's service in an active or reserve component of the
9 armed forces of the United States, including the army, navy, air force,
10 coast guard, marine corps, merchant marine, Indiana army national
11 guard, or Indiana air national guard. However, a person who is less
12 than sixty (60) years of age on the last day of the person's taxable year,
13 is not, for that taxable year, entitled to a deduction under this section
14 for retirement or survivor's benefits.
15 (b) An individual whose qualified military income is subtracted



1 from the individual's federal adjusted gross income under
2 IC 6-3-1-3.5(a)(21) for Indiana individual income tax purposes is not,
3 for that taxable year, entitled to a deduction under this section for the
4 individual's qualified military income.

5 SECTION 2. [EFFECTIVE JANUARY 1, 2016] **(a) IC 6-3-2-4, as**
6 **amended by this act, applies to taxable years beginning after**
7 **December 31, 2015.**

8 **(b) This SECTION expires July 1, 2019.**

